

Scientex to go big with affordable home offerings in Penang



PACKAGING manufacturer and leading property developer Scientex Bhd is increasing its affordable home offerings in Penang after its landbank in the state swells to 523 acres following an acquisition of 343 acres of freehold agriculture land in North Seberang Perai for RM246.7 mil.

Scientex plans to launch a mixed development project on the newly acquired land which is within close proximity of its existing development at Scientex Tasek Gelugor as well as being located a reasonable distance from its other future development in Malaysia's northern region, Scientex Sungai Petani in Kedah.

The company had earlier acquired three pieces of freehold agricultural lands in North Seberang Perai through its wholly-owned subsidiaries Scientex Quatari Sdn Bhd and Scientex (Skudai) Sdn Bhd via two separate sales and purchase agreements with Sunrich Conquest Sdn Bhd and Titanium Greenview Sdn Bhd respectively.

Subject to the Estate Land Board's approval, the proposed land acquisition is due for completion in 1H 2022. This purchase will be financed by internally generated funds and bank borrowings.

To re-cap, Scientex has received overwhelming demand for its maiden Penang township in Tasek Gelugor, of which the first phase was officially launched in October 2020.

"Scientex's hallmark in the property development sector goes beyond building homes with an affordable price tag, but also incorporating quality, speed, and well-supported locations to offer a holistic lifestyle for residents," commented the company's CEO Lim Peng Jin.

“The overwhelming take-up rate of more than 90% for our first phase in Scientex Tasek Gelugor indicates robust demand for affordable homes in Penang, and marks a strong beginning for our maiden venture here.”

With the new lands situated within close proximity to its existing township, Lim is confident that this expansion works to Scientex’s favour in capturing healthy demand and establishing its brand further.

“The new landbank is also expected to offer potential homeowners with good road connectivity as it is located just 7km from Sungai Dua Toll, thus providing easy access to the North-South Expressway as well as Penang island,” reckoned Lim.

Upon expected completion of the land acquisition, Scientex’s total landbank would increase to 6,213 acres which can last for the next 10 years with estimated total gross development value (GDV) of RM32 bil.

Since the inception of its property development segment in 1995, Scientex has delivered properties worth more than RM6.3 bil in GDV. To date, the Group has delivered 22,490 affordable homes priced below RM500,000 each nationwide, of which 70% of the homes were below the RM300,000 mark.

Currently, Scientex has ongoing property developments worth a total GDV of RM2.3 bil across its developments in Johor, Melaka, Selangor, Perak and Penang.

At the close of today’s trading, Scientex was down 1 sen or 0.25% at RM4.01 with 616,700 shares traded, thus valuing the company at RM6.22 bil - April 5, 2021